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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re:	:	Chapter 11
	:	
DELPHI CORPORATION, et al.,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
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**RESPONSE OF PREFERRED SOURCING, LLC TO
TWENTY-THIRD OMNIBUS CLAIMS OBJECTION**

Preferred Sourcing, LLC (“Preferred Sourcing”), by counsel, hereby responds to the Debtors' Twenty-Third Omnibus Objection Pursuant To 11 U.S.C. Section 502(b) And Fed. R. Bankr. P. 3007 To (A) Duplicate Claim, (B) Certain Equity Claims, (C) Insufficiently Documented Claim, (D) Certain Claims Not Reflected On Debtors' Books And Records, And (E) Certain Claims Subject To Modification, Modified Claims Asserting Reclamation, Claim Subject To Modification That Is Subject To Prior Order, And Modified Claim Asserting Reclamation That Is Subject To Prior Order (the “Claims Objection”) as follows:

1. On or about July 27, 2006, Preferred Sourcing filed proof of claim number 11531 (the “Proof of Claim”) against DAS LLC, asserting a secured claim in the amount of \$97,416.63 secured by a right of setoff (the “Claim”).

2. November 19, 2007, the Debtors objected to the Claim indicating that it was not reflected on their books and records.

3. Preferred Sourcing believes that the only reason its claim is not reflected in the applicable Debtor's books and records is because the applicable Debtor has already reflected Preferred Sourcing's setoff in the applicable Debtor's books and records.

4. The only other explanation is that the applicable Debtor is simply wrong about Preferred Sourcing's debt being reflected in its books and records.

5. Preferred Sourcing has been trying to settle this set-off matter with Delphi for almost two years.

6. The Debtors sent a draft settlement agreement to Preferred Sourcing for review on December 12, 2007. Preferred Sourcing is reviewing the draft and believes that agreement will be reached promptly. However, the appropriate parties could not be reached to extend the deadline for Preferred Sourcing to respond to the Claims Objection.

WHEREFORE, Preferred Souring respectfully requests that the Claims Objection be denied, and that the Court grant all further relief as is just and proper.

Dated: Indianapolis, Indiana
December 12, 2007

PREFERRED SOURCING, LLC,

By: /s/ John R. Humphrey
John R. Humphrey (*pro hac vice* pending)
(JH 5916)

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing *Response of Preferred Sourcing, LLC to Twenty-Third Omnibus Claims Objection* was served, this 12th day of December, 2007, via the United States Bankruptcy Court's electronic transmission service, and upon the following parties via overnight mail delivery:

Delphi Corporation
ATTN: General Counsel
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Skadden, Arps, Slate, Meagher
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/s/ Anna M. Phillips
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